

(67) Q: Are body-on-van-chassis vehicles classified as buses or vans under the charter regulation?

A: Body-on-van-chassis vehicles are treated as vans under the charter regulation.

(68) Q: When a new operator registers, may recipients continue under existing contractual agreements for charter service?

A: Yes. If the contract was signed before the new private operator registered, the arrangement can continue for up to 90 days. During that 90 day period, however, the public transit agency must enter into an agreement with the new registrant. If not, the transit agency must terminate the existing agreement for all registered charter providers.

(69) Q: Must a public transit agency continue to serve as the lead for events of regional or national significance, if after consultation with all registered charter providers, registered charter providers have enough vehicles to provide all of the service to the event?

A: No. If after consultation with registered charter providers, there is no need for the public transit vehicles, then the public transit agency may decline to serve as the lead and allow the registered charter providers to work directly with event organizers. Alternatively, the public transit entity may retain the lead and continue to coordinate with event organizers and registered charter providers.

(70) Q: What happens if a customer specifically requests a trolley from a transit agency and there are no registered charter providers that have a trolley?

A: FTA views trolleys as buses. Thus, all the privately owned buses must be engaged in service and unavailable before a transit agency may lease its trolley. Alternatively, the transit agency could enter into an agreement with all registered charter providers in its geographic service area to allow it to provide trolley charter services.

(71) Q: How does a transit agency enter into an agreement with all registered charter providers in its geographic service area?

A: A public transit agency should send an email notice to all registered charter providers of its intent to provide charter service. A registered charter provider must respond to the email notice either affirmatively or negatively. The transit agency should also indicate in the email notification that failure to respond to the email notice results in concurrence with the notification.

(72) Q: Can a registered charter provider rescind its affirmative response to an email notification?

A: Yes. If after further consideration or a change in circumstances for the registered charter provider, a registered charter provider may notify the customer and the transit agency that it is no longer interested in providing the requested charter service. At that point, the transit agency may make the decision to step back in to provide the service.

(73) Q: What happens after a registered charter provider submits a quote for charter services to a customer? Does the transit agency have to review the quote?

A: Once a registered charter provider responds affirmatively to an email notification and provides the customer a commercially reasonable quote, then the transit agency may not step back in to perform the service. A transit agency is not responsible for reviewing the quote submitted by a registered charter provider. FTA recommends that a registered charter provider include in the quote an expiration date for the offer.

[73 FR 44931, Aug. 1, 2008]

APPENDIX D TO PART 604—TABLE OF POTENTIAL REMEDIES

Remedy Assessment Matrix:

Extent of Deviation from Regulatory Requirements

	Major	Moderate	Minor
Economic Benefit	Major	\$25,000/violation to 20,000	\$19,999/violation to 15,000
	Moderate	\$10,999/violation to 8,000	\$7,999/violation to 5,000
	Minor	\$2,999/violation to 1,500	\$499/violation to 100

FTA's Remedy Policy

- This remedy policy applies to decisions by the Chief Counsel, Presiding Officials, and final determinations by the Administrator.
 - Remedy calculation is based on the following elements:
 - (1) The nature and circumstances of the violation;
 - (2) The extent and gravity of the violation ("extent of deviation from regulatory requirements");
 - (3) The revenue earned ("economic benefit") by providing the charter service;
 - (4) The operating budget of the recipient;
 - (5) Such other matters as justice may require; and
 - (6) Whether a recipient provided service described in a cease and desist order after issuance of such order by the Chief Counsel.
- [73 FR 44935, Aug. 1, 2008; 73 FR 46554, Aug. 11, 2008]

PART 605—SCHOOL BUS OPERATIONS**Subpart A—General**

- Sec.
- 605.1 Purpose.
- 605.2 Scope.
- 605.3 Definitions.
- 605.4 Public hearing requirement.

Subpart B—School Bus Agreements

- 605.10 Purpose.
- 605.11 Exemptions.
- 605.12 Use of project equipment.
- 605.13 Tripper service.
- 605.14 Agreement.
- 605.15 Content of agreement.
- 605.16 Notice.
- 605.17 Certification in lieu of notice.

605.18 Comments by private school bus operators.

605.19 Approval of school bus operations.

Subpart C—Modification of Prior Agreements and Amendment of Application for Assistance

- 605.20 Modification of prior agreements.
- 605.21 Amendment of applications for assistance.

Subpart D—Complaint Procedures and Remedies

- 605.30 Filing a complaint.
- 605.31 Notification to the respondent.
- 605.32 Accumulation of evidentiary material.
- 605.33 Adjudication.
- 605.34 Remedy where there has been a violation of the agreement.
- 605.35 Judicial review.

Subpart E—Reporting and Records

605.40 Reports and information.

APPENDIX A TO PART 605

AUTHORITY: Federal Mass Transit Act of 1964, as amended (49 U.S.C. 1601 *et seq.*); 23 U.S.C. 103(e)(4); 23 U.S.C. 142 (a) and (c); and 49 CFR 1.51.

SOURCE: 41 FR 14128, Apr. 1, 1976, unless otherwise noted.

Subpart A—General**§ 605.1 Purpose.**

(a) The purpose of this part is to prescribe policies and procedures to implement section 109(a) of the National Mass Transportation Assistance Act of 1974 (Pub. L. 93-503; November 26, 1974;